



State of Delaware Department of Finance

PeopleSoft Financials Implementation Project

Vendor's Conference Questions and Answers

Issue date: March 8, 2006

Question 1: Does the definition of “off-shore” in section 5.4.18 extend to locations on the North American continent such as Phoenix or Toronto?

Answer 1: The State requires all work to be performed at the project site in Dover, Delaware. This is indicated in the RFP at Section 7.1 (p175) which requires rates to “represent services provided at the project site Dover, Delaware”. The State understands that there will be occasions for incidental work to be performed at off-site locations but will address such requirements on a case-by-case basis.

One exception to this rule relates to any Vendor proposal to provide hosting services. The hosted environment may reside at any location as long as the performance needs of the Vendor and State team are met.

Question 2: What is the State’s procurement stance on MBE/WBE participation?

Answer 2: At this time, the State of Delaware does not have a preference for MBE or WBE companies. However, the Office of Minority and Women Business Enterprise, which was established in November 2001, does encourage and promote the participation of minority and women business enterprises in the state.

Question 3: Is it the State’s expectation that 100% of the work will be done at the project site, or could work be done off-site in the U.S.?

Answer 3: See Question 1

Question 4: Section 6.1.3. The intent to bid form is required of all Vendors bidding as Prime Vendors, correct?

Answer 4: Yes only the Vendors bidding as Prime Contractors are required to submit the “Intent to Bid” form. (Prime Vendors per 5.2.12.1)

Question 5: Section 6.1.2 Is it the State’s intention to limit future communication regarding this RFP to the Vendors who submit an Intent to Bid Form?

Answer 5: Between now and March 16, 2006, the State intends to limit **direct** communication regarding the RFP to those Vendors who attended the Vendor’s Conference. After March 16, 2006, direct communications regarding the RFP will be limited to those Vendors who submit the Intent to Bid form. Selected information may be posted to the State’s website and therefore available to other Vendors and the public. For example, the state will post the Vendor’s Conference attendee list, the conference transcript, the questions posed by the Vendors, as well as the answers supplied by the State.

Question 6: Section 2.1. Is it mandatory requirement that the Prime Vendor have done a State implementation? Is it mandatory that it be a PeopleSoft versus another ERP package?

Answer 6: It is not mandatory that a Prime Vendor has completed another state implementation. It is also not mandatory that previous implementations be specific to PeopleSoft, regardless of whether they are state government related or in another industry.

However, the State of Delaware has identified that its preference would be to select a Prime Vendor with previous state government implementation experience in PeopleSoft. This is further underscored in Sections 5.3.2.1 and 5.3.2.2 of the Request for Proposal.

Question 7: The RFP identifies a need to implement the new system by July 2008 to meet the needs of BACIS. Are there any other dates that should be taken into consideration?

Answer 7: No. In addition, the date for replacing BACIS can be viewed as a State preference. The State does have options for BACIS if there is a need to support an implementation period that extends beyond July 2008.

Question 8: Section 4.1.1. The State references a “Big Bang” approach to implementation at the start of a fiscal year. Are you set on this approach?

Answer 8: No. Section 4.1.1 (page 83) also says that “The work plan and schedule must assume the big bang, and start-of-fiscal year roll-out (baseline plan). However, the technical proposal may also present one alternative approach. If an alternative is presented, it must include a high-level comparison to the baseline, and discuss the non-financial costs and benefits to the State of adopting this alternative compared to the State's preferred approach.”

Question 9: Section 2.3.1. Regarding the Department of Transportation and BACIS, is your objective to use PeopleSoft to take care of the administrative functions (e.g., purchasing, payables, etc.) and to deal with the management of their projects (e.g., billing the federal government, funding projects, etc.)?

Answer 9: Yes. The PeopleSoft Financials suite will replace BACIS, the Department of Transportation's current financial management system, and the PeopleSoft Financials Project Costing module will interface with the Department's soon to be implemented Funds Allocation for Capital Transportation System (FACTS). The Project Costing module is expected to create project numbers and associated information, create budgets for these statewide projects, and allow expenses associated with them to be tracked.

Question 10: Could you comment and maybe provide a short, brief overview of the intent of implementing PeopleSoft at the school districts?

Answer 10: All school districts (19) and charter schools (13) in the State of Delaware will be required to use PeopleSoft Financials for operational and capital purposes. Delaware State University and the various campuses of the Delaware Technical Community College system will also use parts of PeopleSoft Financials as implemented by the State of Delaware.

For further information regarding school districts, higher education, and state agencies, interested vendors should refer to the *Delaware Code, Title 14 and Title 29*. An online version can be found at: www.delcode.state.de.us

Question 11: Will the PeopleSoft Financial Systems actually go down to the individual schools?

Answer 11: Yes, to the extent that a school district chooses to allow a school building to create requisitions and purchase orders. It is possible that a district may choose to centralize its purchasing requirements, but the State will not modify PeopleSoft to achieve this. Districts will be expected to utilize delivered functionality.

Question 12: Section 5.2.16 The RFP states you can to select multiple vendors based on what's more beneficial to the State. How would that work in the case of a prime?

Answer 12: If the State identifies two Prime Vendors qualified to provide services under this procurement and makes the determination that there is something extremely compelling about the way each of them have proposed to meet the needs of the project in different areas, then it is possible that the State can split the project and award separate contracts in each of the two areas.

Question 13: Sections 5.2.12.1 & 5.2.12.2 The second part of that question is that if you are a subcontractor, and the State is engaged with the prime as mentioned above, does the State then have the ability to pick from different subcontractors that are proposed under different prime vendors?

Answer 13: No. The relationship is between the Prime Vendor and the subcontractor. The State will only contract with the Prime Vendor.

Question 14: Section 3.2. Are all agencies expected to adopt a standard set of business processes for the standard functional requirements within the Financials modules or will there be unique requirements for individual agencies?

Answer 14: The State wants to implement PeopleSoft Financials as delivered with few, if any, modifications and has determined that the operating policies and procedures of the State would be changed to accommodate this “vanilla” system. For the most part, all organizations are expected to utilize a set of standard business processes. To the extent that some agencies may need a variant of the standard process, it should be supportable within PeopleSoft Financials without requiring customization or modification.

Question 15: Would you please spend a little bit of time getting some more detail on what [the State] has actually done?

Answer 15: The State of Delaware received a certified, vanilla copy of PeopleSoft Financials 8.8 in August of 2004. From that point, the Project Team began to conduct a fit-gap between its current business processes and those PeopleSoft provides to meet the same objective. In order to get a full appreciation for the differences between PeopleSoft and the State's business process, our IT team created a second instance of PeopleSoft Financials which we configured using Delaware values and information.

Configuration included turning on Commitment Control, applying applicable bundles, patches, and fixes, loading Delaware values in the following, but not limited to, core tables of DEPT, ACCT, FUND, and OPER. In addition, several General Ledger business units were established as well as associated product business units (eProcurement, Grants, Project Costing, etc.)

The Financials Project Team also was able to get a copy of the State's HCM application, with Time and Labor installed. The purpose of obtaining a copy of the HCM application was to begin to set up and test some of the PeopleSoft delivered Enterprise Integration Points (EIPs) between Financials and Human Capital Management.

Question 16: Section 1.1. The RFP indicates that the State will install PeopleSoft Financials 8.9 yet all of the work presented indicates that version 8.8 is installed. Is this correct?

Answer 16: Even though the State has been operating with a prototype environment with PeopleSoft Financials 8.8, we expect to upgrade that prototype environment to 8.9 prior to the arrival of the implementation Vendor and we expect all of the implementation effort to be conducted in PeopleSoft Financials 8.9.

Question 17: Sections 3.2.2 & 4.2.4. Are the Human Resources components Time and Labor, Payroll, and others under the scope of this project?

Answer 17: Yes, to the extent that these and other Human Resources components are affected by the integration of Financials and PHRST.

Question 18: Sections 3.2.2 & 4.2.4. Is the State looking for this project to integrate PeopleSoft Financials and PHRST?

Answer 18: Yes. The State has analyzed all of the Enterprise Integration Points (EIP) between the PeopleSoft Financials modules and the PeopleSoft HCM modules. The State has identified those EIPs it wants to turn on. The Project Team has a copy of the HRMS environment that sits along with the project’s FN boxes so that in a sandbox environment, the project can turn on a number of the EIPs, send data across the systems, and test changes on the financial side and trace them all the way through to the human resources side. Although the State has done a significant amount of work regarding this integration, there is much work left to do. The PeopleSoft HCM modules have been heavily modified to meet Delaware’s specific requirements. The State seeks expertise from Vendors to determine how pieces of HRMS can be reengineered (made more “vanilla”) so that it will fit more naturally with the “vanilla” Financials application.

Question 19: How do we construct a proposal based on the specification that you “may need reengineering services around HRMS?”

Answer 19: There is no question that the State needs the implementation Vendor’s expertise to determine how to reengineer pieces of HRMS so that it fits more naturally together with PeopleSoft Financials. Therefore, proposals should be prepared with the understanding that the Vendor will provide guidance, expertise, advice, and assistance in reengineering portions of PHRST to improve the integration with Financials.

Question 20: How do you want us to bid on HCM (PHRST) Reengineering as part of this project?

Answer 20: PHRST has been heavily modified to meet Delaware’s unique needs. This costs the State in terms of maintenance. These modifications interfere with integration with Financials. To integrate properly, the State must look to the “vanilla” features of Financials and HRMS to see what can be adopted. In order to prepare a response, refer to Section 3.2.2 of the RFP which clearly states that:

“...within the scope of this project, is the reengineering of the processes within all modules of PHRST that will need to change as a result of the implementation of PeopleSoft Financials.”

State expectations of the Vendor as stated in Section 4.2.4 are:

“...The Vendor will be responsible for definition, design and development of changes to the PHRST system to ensure that the PHRST HR, Payroll, and Time and Labor modules are integrated with PeopleSoft Financials and that all accounting entries integrate, synchronize or flow between PHRST and PeopleSoft Financials.”

Question 21: Would you expand on the organization chart in Section 4.1.2 and identify which positions are currently filled and when the others will be joining the project?

Answer 21: The State is issuing Addendum 1 to the RFP, updating and expanding the organization chart contained in the RFP to include the requested information. This chart reflects the State's current thinking on organization and updated FTE counts.

Question 22: How is the vendor expected to incorporate the staffing information described in the organization chart into their response?

Answer 22: The organization chart simply describes the resources that the State is committing to the project. The Vendor is responsible for using this information as a starting point to recommend a project organization, based on their ERP implementation experience, which incorporates both State and Vendor staff into a collaborative working relationship. See Section 4.1.2, paragraph 1: "The Vendor is also responsible for development of a detailed resource plan for both Vendor and State staff, which defines the staffing and staff organization, identifies all team participants and their roles and responsibilities."

Question 23: Sections 3. 4.1.5, and 4.1.6. This question is on change management. In the State's opinion, what are going to be the greatest change issues in this implementation?

Answer 23. The State is aware that change management will be a significant issue. The Project Team has been working with the State's change management division (within the Department of Technology and Information) since the project's inception and has developed several key documents regarding knowledge transfer, financial employees (end user inventory), employee skills and change readiness (these documents can be found in appendices 1, 3, and 10 of this RFP). In Section 3, the RFP provides a discussion of the change impacts that each specific module is anticipated to have on the State organization (an impact scale is utilized to rank the strength of these impacts).

Question 24: Sections 4.1.5, 4.1.6, & 4.1.7. The changes and impacts already identified seem to be related to changes in functionality. Has the State addressed changes needed regarding people's computer skills—a level of change not necessarily related to changes in functionality?

Answer 24: Yes. The State has anticipated changes needed at the level of user computer skills. The End User Inventory and Skills Assessment task was assigned to organizations to collect information that would enable the Project Team to understand the current skills, knowledge, abilities, and formal financial education acquired by the potential end users of the future system. These results were compiled into the Financial Employee Skills Gap Analysis Summary and used in the development of the Financial Employee Education and Training Strategy. In a separate RFP, the State is preparing to design a curriculum for the fundamentals of fund accounting in an ERP system so that over the next two years the workforce can receive an understanding of basic fund accounting needed to use PeopleSoft's Financials application intelligently.